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10 January 1956

Project 34.499 "East German Chemical Equipment Industry"

1. The above named project has been the subject of a number of discussions by the Branch Chief and the writer. The former's comments and evaluation are fully concurred in by the writer.

2. The difficulties which the analyst faced in this paper are likely to be present in even greater measure when and if attention is focused on the USSR. East Germany has a standard industrial classification labeled "Chemical Equipment" on which reports are prepared. These reports and the accompanying analysis are the substance of this paper.

3. A preliminary survey suggests that similar reports are not prepared in the USSR. Product heterogeneity thus becomes a formidable obstacle to the preparation of similar studies for other Bloc countries.

4. Thought is now being given to the directions which future research should take. An exploratory study directed at a small but high-priority part of the total industry was introduced into the FY56 program. This is concerned with the production of liquid oxygen and fuming nitric acid equipment. It is too early to determine if this selective approach will yield useful results. There are other ways of dividing the large problem into smaller, more homogeneous parts and these may also be explored. None of the three people involved - the analyst, branch chief or division chief - is satisfied that an approach of general usefulness has been developed.

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